

RESOLUTION NO. 12-02

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF A REVENUE BOND IN AN AMOUNT NOT TO EXCEED \$33,000,000 PURSUANT TO A BOND AND LOAN AGREEMENT TO PROVIDE FOR FINANCIAL ASSISTANCE FOR THE FINANCING AND REFINANCING OF ELIGIBLE PROJECTS FOR THE BENEFIT OF YOUNG MEN'S CHRISTIAN ASSOCIATION OF METROPOLITAN LOS ANGELES, PROVIDING THE TERMS AND CONDITIONS FOR THE ISSUANCE OF SAID BOND AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS HEREIN SPECIFIED

WHEREAS, the California Infrastructure and Economic Development Bank (the "I-Bank") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the "Act"), for the purpose of, among other things, financing and refinancing eligible projects; and

WHEREAS, the I-Bank is authorized to issue tax-exempt obligations to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, Young Men's Christian Association of Metropolitan Los Angeles, a California nonprofit public benefit corporation (the "Borrower"), has submitted an application to the I-Bank for assistance in (1) refunding all outstanding Revenue Bonds, Series 2001 (YMCA of Metropolitan Los Angeles Project), issued by the I-Bank in the original aggregate principal amount of \$37,000,000 (the "Series 2001 Bonds"), (2) financing, refinancing and reimbursing the costs of the acquisition, construction, renovation, improvement and equipping the Borrower's YMCA facilities located throughout metropolitan Los Angeles (the "Series 2012 Project"), and (3) paying certain of the costs incurred in connection with the issuance of the hereinafter referred to Series 2012 Bond (collectively, the "Project"); and

WHEREAS, for these purposes, the Borrower has requested the I-Bank to (a) to authorize the issuance of its California Infrastructure and Economic Development Bank Revenue Bond, Series 2012 (YMCA of Metropolitan Los Angeles Project) to Union Bank, N.A. (the "Lender") in the principal amount of not to exceed \$33,000,000 (the "Series 2012 Bond"), (b) to loan the proceeds of the Series 2012 Bond to the Borrower to finance and refinance the costs of the Project (including costs of issuing the Series 2012 Bond) (the "Borrower Loan"), (c) to provide for the payment of the principal of, premium, if any, and interest on the Series 2012 Bond with revenues derived from the Borrower's payment of the Borrower Loan, and (d) to take and authorize certain other actions in connection with the foregoing; and

WHEREAS, because the Series 2012 Bond will be sold directly to the Lender, the transaction will not be rated by any rating agency; and

WHEREAS, consistent with the I-Bank's policies and procedures for Conduit Revenue Bond Financing for Economic Development Facilities (the "Policy"), the Borrower has represented that (a) the Lender will certify that it is a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act") or an "accredited investor" within the meaning of Rule 501 promulgated under the Securities Act; (b) the Lender will sign a "sophisticated investor" letter acceptable to the I-Bank; (c) the Series 2012 Bond will be subject to resale limitations that limit the transfer or sale of the Series 2012 Bond by the Lender to other "qualified institutional buyers" or "accredited investors"; and

WHEREAS, the Act requires the I-Bank to make certain determinations in connection with the financing of the Project; and

WHEREAS, there is now on file with the Secretary of the Board of Directors of the I-Bank (the "Board") the following:

(a) a proposed form of the bond and loan agreement to be entered into by and among the Lender, the I-Bank and the Borrower; and

(b) a proposed form of escrow deposit agreement to be entered into between the I-Bank, the Borrower and Union Bank, N.A., as escrow agent, to provide for the current refunding of the Series 2001 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

Section 1. The above recitals are true and correct.

Section 2. Pursuant to the provisions of the Act, and based upon the representations of the Borrower, the Board of Directors of the I-Bank hereby finds and determines as follows:

(a) the Project is located in the State of California,

(b) the Borrower is capable of meeting the payment obligations incurred under the Borrower Loan and the Series 2012 Bond as approved by this resolution, which finding is based in particular on the Borrower's ability to satisfy the requirements imposed by the Lender,

(c) the Borrower is capable of meeting the other obligations incurred by the Borrower under the agreements approved by this resolution,

(d) the payments to be made by the Borrower to the I-Bank under the bond and loan agreement approved by this resolution are adequate to pay the current expenses of the I-Bank in connection with the financing and to make payments on the Series 2012 Bond,

(e) the proposed financing and refinancing is appropriate for the Project,

(f) the Series 2012 Project is consistent with any existing local or regional comprehensive plans; and

(g) the private placement proposed by this Resolution meets the requirements set forth in the Policy.

Section 3. The I-Bank authorizes and approves the issuance of the Series 2012 Bond on a tax-exempt basis in the principal amount of not to exceed \$33,000,000 and lending the proceeds of the Series 2012 Bond to the Borrower in order to finance and refinance the costs of the Project pursuant to the terms and provisions of a bond and loan agreement as approved by

this resolution. The proposed form of bond and loan agreement on file with the Secretary of the Board (the "Secretary") is hereby approved and the Executive Director of the I-Bank (the "Executive Director"), the Executive Director's assignee, the Chair of the Board of Directors of the I-Bank (the "Chair"), or the Chair's designee, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the I-Bank, to execute, acknowledge and deliver to the Borrower and the Lender the bond and loan agreement in substantially said form, with such insertions and changes therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with advice of the I-Bank's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof (as so approved, the "Bond and Loan Agreement"). The Secretary is authorized to attest the execution of the Bond and Loan Agreement.

Section 4. The Executive Director, the Executive Director's assignee, the Chair or the Chair's designee, each acting alone is hereby authorized and directed, for and in the name and on behalf of the I-Bank, to execute in the name and on behalf of the I-Bank, the Series 2012 Bond in an aggregate principal amount not to exceed the amount authorized hereunder in substantially the form set forth in the Bond and Loan Agreement.

Section 5. The proposed form of escrow deposit agreement on file with the Secretary is hereby approved and the Executive Director, the Executive Director's assignee, the Chair or the Chair's designee, each acting alone, is hereby authorized and directed, for and in the name and on behalf of the I-Bank, to execute and deliver to the other parties thereto, an escrow deposit agreement in substantially said form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the I-Bank's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Series 2012 Bond shall be in the denomination of the outstanding amount thereof, and in the form set forth in the Bond and Loan Agreement. The Series 2012 Bond shall mature on the date provided in the Bond and Loan Agreement and shall be subject to prepayment as provided in the Bond and Loan Agreement. The Series 2012 Bond shall not be registered during the period it is held by the Lender or another qualified institutional buyer or accredited investor, and shall bear interest at variable rates to be determined from time to time in accordance with the provisions of the Bond and Loan Agreement.

Section 7. The I-Bank approves (i) the waiver of the credit rating requirement of the Policy and (ii) the issuance of the Series 2012 Bond without a credit rating, provided that the execution of the Bond and Loan Agreement is conditioned upon the I-Bank's receipt of (a) a certification of the Lender that it is a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act") or an "accredited investor" within the meaning of Rule 501 promulgated under the Securities Act; (b) a "sophisticated investor" letter acceptable to the I-Bank executed by the Lender; (c) inclusion within the Bond and Loan Agreement provisions establishing that the Series 2012 Bond is subject to resale limitations that limit the transfer or sale of the Series 2012 Bond by the Lender to other "qualified institutional buyers" or "accredited investors".

Section 8. The Executive Director, the Executive Director's assignee, the Chair or the Chair's designee, each acting alone, is hereby authorized to execute and deliver any and all certificates and instruments, including, without limitation, any documentation necessary to facilitate the subscription for United States Treasury Securities-State and Local Government Series in connection with the current refunding of the Series 2001 Bonds, any documentation necessary to identify an interest rate hedge agreement for federal income tax purposes, a no arbitrage certificate, letters of representations and certifications of authority, which they or counsel to the I-Bank may deem necessary or advisable to consummate the issuance and delivery of the Series 2012 Bond, to provide certain security with respect to the Series 2012 Bond, and otherwise to effectuate the purpose of this resolution.

Section 9. All actions heretofore taken by the officers and employees of the I-Bank with respect to the approval and issuance of the Series 2012 Bond are hereby approved, confirmed and ratified. The officers of the I-Bank and their authorized assignees, designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties and execute and deliver any and all certificates which they or counsel to the I-Bank may deem necessary or advisable in order to consummate the issuance and delivery of the Series 2012 Bond and otherwise to effectuate the purposes of this resolution.

Section 10. This resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on March 6, 2012, by the following vote:

AYES: REYES, LUJANO, JIMENEZ, ARMSTRONG, RICE

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant,
Secretary of the Board of Directors